Global Journal of Applied, Management and Social Sciences (GOJAMSS); Vol.9 July 2015; pp.119 – 126, (ISSN: 2276 – 9013)

THE EFFECT OF CORPORATE TAX ON DIVIDEND POLICY OF LISTED CONSUMER GOODS COMPANIES IN NIGERIA

MOHAMMED IBRAHIM
Department of Accounting,
Faculty of Arts and Social Sciences,
Gombe State University, Nigeria
mifili77@yahoo.co.uk

&

HAUWA SAIDU
Department of Accounting,
Faculty of Arts and Social Sciences,
Gombe State University, Nigeria

Abstract
The study assessed the effect of corporate taxation on dividend policy of listed consumer goods companies in Nigeria over the periods 2009 to 2013. Data for the study was collected from the annual reports and accounts of the companies. A panel data methodology was employed specifically using pooled OLS, fixed effect and random effect regression methods in analyzing the data. The paper demonstrated that corporate taxation and board structure have no effect on dividend policy of firms. The results also imply that performance of companies is an important determinant of dividend policy. The study recommended that companies should pay more attention to other determinants of dividend like liquidity and not to concentrate on taxes since taxes have no effect on dividend policy. Also companies should devise other means of generating funds by expansion and diversification in order to boost their earnings.

***Keywords**: Dividend Policy, Corporate Taxation, Board Structure, Performance, Governance*

Introduction
Many studies have been conducted on taxes and dividend policy, yet the subject matter still attracts the interests of many researchers. The finance profession has long struggled to develop a simple satisfactory model of dividend determination and the government changes tax rates over time. Masulis & Trueman as cited in Nnadi & Akpomi (2008) observed that taxes affect organizational corporate dividend policy. If this speculation were true, changes in corporate dividend payout would be expected whenever the government changes its income tax policy (Wu, 1996 and Ekeocha, Ekeocha, Malaolu & Oduh, 2012). Dividend policy is in turn a parameter for measuring performance or survival of a company while the measures of dividend policy as stated by Linter (1956) as in Nnadi & Akpomi (2008) are the anticipated level of future earnings and the pattern of past dividend.

Tax is a compulsory levy imposed by government on the incomes of individuals and corporate organization for the performance of its duties of social welfare and security. It is the responsibility of the government to provide all the important amenities which are needed to make life worth living. Hence, the government tries to generate the funds to carry out these activities through taxation which every organization is expected as a requirement to pay as part of its corporate social responsibilities. Dividend policy, on the other hand, forms a major financial decision often faced by management of corporate organizations in their pursuit of maximizing the value of their organization. Dividend policy allocates the earnings between payment to shareholders and reinvestment in the firm (Pandey, 1999). Corporate dividend policy should be designed to minimize the sum of capital and taxation costs. One of the important factors influencing these costs is the fraction of ownership held by institutional investors. Institutions are professional decision-makers who know how to assess the performance of the firm and to monitor the management. As a result, the degree of institutional ownership may have an effect on dividend policy. Also, in a related development, Jensen, Solberg & Zorn (1976) as cited in Odia & Ogiedu (2013) identified an inter-relationship between levels of insider ownership, leverage and dividend payout, with insider ownership negatively impacting on debt and dividend levels. Also the relationship between ownership structure and dividend policy has been emphasized by LaPorta, Silanes, Shleifer & Vishny (2000), Gugler & Yurtoglu (2003), Da Silva, Goergen & Renneboog (2004) (as cited in Odia and Ogiedu, 2013).

Several researches have been conducted on corporate taxation and dividend policy in developed countries which include Abrutyn & Turner (1990) and Dharmapala (2008). However, there are few empirical studies in Nigeria on the effect of tax on dividend. Most common of this studies are the ones conducted by Nnadi and Akpomi (2008) and Odia and Ogiedu (2013) on the effects of taxes on dividend policy of banks in Nigeria using different years and methods. None of the studies with similar topics have taken into consideration the consumer goods industry where cross sectional analysis of the effect of corporate taxation on dividend policy was done using panel data methodology.
Therefore, the essence of this study is to find out the effect of corporate taxation on dividend policy by relating corporate tax, dividend policy, and performance and governance issues in the consumer goods industry. This is done with a view to understanding whether dividend payout is affected by corporate tax. It also deals with the role of corporate governance with regard to dividend policy and the impact of corporate performance on dividend policy.

This study is structured in to five sections: section one is the introduction, section two takes up the literature review, section three presents the methodology, section four deals with results and discussions and section five concludes the study.

Literature Review
Lederman (2002) defined a corporation as a legal entity created under a state or other statute that allows incorporation by persons who become the shareholders of the corporation. In general, the corporation's organizers complete appropriate forms and file them with the state (or other jurisdiction) in which the corporation will be incorporated. Those organizers become the corporation's initial shareholders once the corporation is recognized by the state. Corporate shareholders may be individuals, other corporations, or other entities such as partnerships. In general, an entity recognized as a corporation under the state law is also treated as a corporation for federal tax purposes. A corporation is a separate taxpayer from its shareholders, meaning that the corporate entity is subject to taxation on corporate level events. In addition, shareholders must pay tax on dividends received.

Organizations need fund to carry out their activities. One of the major ways of generating funds is the issue of shares. Hence shareholders are very important to companies and companies find different ways of boosting their relationship with the shareholders. One of such ways is the declaration or issue of dividend. Dividends represent a source of cash flow to stockholders and provide information about the firm's performance. Some stockholders expect to receive dividends while others are content to see an increase in stock price and no dividends. The firm's dividend policy depends on various factors. It represents a plan of action to be followed whenever the dividend decision is made. Firms develop policies consistent with their goals. The factors considered in establishing a dividend policy include legal constraints, contractual constraints, internal constraints, the firm's growth prospects, owner considerations and market considerations (Henry & Peter, 2006).

According to Anyigbo (2008), the earliest major attempt to explain dividend behavior of companies has been credited to Graham & Dodd (1934) who were the major proponents and founders of the school of thought referred to as the traditionalist or right lists who offered the first explanation for the relevance of dividend payment. Later support for the literature of determinants of dividend policy and dynamics was given by Lintner (1956), who conducted his study on American Company and thereafter, the work was refined by (Fama & Babiak, 1968).

Modigliani & Miller (1961) insisted that, to firms with a clear investment program which are in the same risk class, the dividend policy is irrelevant. Having viewed dividend payment as irrelevant, they contended that if the investment decision of a firm is given, dividend payout ratio does not affect shareholders wealth. Black & Scholes (1976) posit that if dividends are irrelevant, corporations should not pay dividends and investors should not pay attention to dividends. Jensen & Meckling (1976) argued that dividend policy is not irrelevant because of the important role it plays in determining a firm's capital structure.

In Nigeria, the earliest researches on dividend policy focused attention on the dividend behaviour of Nigerian companies since and during the period of indigenisation. The results of the studies were controversial and inconclusive. Uzoaga & Aloizieuwa (1974) investigated the pattern of dividend policy pursued by a sample of 13 companies within four years (1969-1972) which covers the indigenization period. The study concludes that the change in the level of dividend paid by the companies could best be explained by fear and resentment rather than the conventional factors used in the Linter's model. This conclusion was challenged by later studies such as Inanga (1975) and Soyode (1975) (as cited in Musa, 2009). They criticized Uzoaga and Alozieuwa's (1974) study for its failure to empirically test the contribution of conventional factors to changes in dividend of the affected companies. However, Inanga (1975) and Soyode (1975) also failed to empirically investigate the extent to which Lintner's model could be used to explain the dividend policy of the companies in Nigeria. The two studies rather advanced both conventional and non-conventional factors (such as excess liquidity resulting from the infusion of new capital and the unrealistic pricing policy of the Capital Issues Commission) as explanations for the change in the dividend behaviour of their sampled companies. Other studies considered the determinants of dividend policy like the study by Trang (2012).

Dividend policy of firms as stated by Musa (2009) is a cultural phenomenon that changes continuously according to environment and time, hence it is necessary to continuously modify dividend behavioural models to capture those factors that are peculiar to a particular period and environment, as well as changes in tax rate and other governmental changes. Musa (2005) thus criticizes Lintner's (1956) model with modifications on the basis of the fact that the model was based on the assumption of constant response coefficient implying that investors react identically to the explanatory of all firms. Hence, models developed by earlier researchers were modified by scholars like Amram, Bauer & Frank (2012), Muhammad (2011), Salih (2010), Musa (2009), and Muhammad (n.d).

Jiraporn, Kim & Kim (2008) explored how a firms overall quality of corporate governance affects dividend policy using agency theory in the UK from 2001-2004. The study utilizes the secondary sources of data. Also the legislations on the jobs and growth tax relief reconciliation act of 2003 (JGTRRA) and the Sarbanes Oxley act of 2002 (SOX) were used. The results reveal a positive association between governance quality and dividend payout. The results are consistent with the notion that shareholders of firms with better governance quality are able to force managers to distribute more cash through dividends, thereby reducing what is left for expropriation by opportunistic managers.

Musa (2009) empirically examined the dividend policy of firms quoted on the Nigerian Stock Exchange. The objective was specifically to investigate the dividend policy of a cross section of 53 firms quoted on the NSE from 1993-2002. Parsimonious multiple regression model developed by Musa (2005) was used. The model employs the five metric variables: previous dividend, current earnings, cash flow, investment and net current asset. Also, three non metric variables were used which include growth, firm size and industry classification. The study concludes that the five metric variables have significant aggregate impact on the dividend policy of quoted firms. Three of the variables: current earnings E, previous dividend Div_{it-1} and cash flow CF have been found to be robust in the model. The test shows that none of the three non metric variables provides a statistically significant improvement to the base model.

In a similar study, Adesola & Okwong (2009) observed the dividend policy of a cross section of 27 Nigerian companies using theories tested to explain dividend behaviour of those firms from period 1996 to 2006. Secondary data was used and a model constructed with the necessary policy variables. Factors upon which dividend decision are based are identified and the magnitude of their effect estimated. The research reveals that traditional factors are significant in explaining and predicting their dividend decision. The study also provides support for the Lintners model. Factors which explain variations in share market price were identified.

Almalkawi, Rafferty & Pillal (2010) provided readers with an understanding of dividends and dividend policy by reviewing the main theories and explanations of dividend policy including the dividend irrelevance hypotheses, the bird in the hand hypothesis, tax preference clientele effects, signaling and agency cost hypothesis. The study is purely a library based research. The finding of the study validates a statement by Fisher (n.d) as cited in Almalkawi, Rafferty & Pillal (2010) which states that the harder one looks at the dividend picture, the more it seems like a puzzle with pieces that just do not fit together.

In trying to establish a relationship between tax and dividend, Odia & Ogiedu (2013) examined the relationship among profit, dividend and taxes of banks in Nigeria. Also the study sets to find out whether profitability and taxes affect the dividend of banks. The study was carried out between 2000 and 2008. Secondary data was used and the analysis was done with the use of OLS regression analysis. The study concluded that profitability is a major determinant of the dividend policy as their relationship is high. Also, taxes have negative and non significant impact on dividend policy of banks in Nigeria. Furthermore, Nnadi & Akpomi (2008) examined the effect of taxes on dividend policy of Banks in Nigeria using descriptive statistics, pearson correlation, ANOVA and standard multiple regression analysis for analyzing the data. It was revealed that the determinant of dividend structure is liquidity and the factors that influence dividend decisions are similar in all industries. This study contradicts the findings of (Odia & Ogiedu, 2013).

Oyinlola, Oyinlola & Adeniran (2013) examined the performance impact of dividend policy in the brewery industry in Nigeria for the period 2002 to 2010. Secondary data was collected from the internet and analysed using descriptive statistics, correlation and regression analysis. The study documented that dividend policy is relevant and a firm's dividend policy is seen as a major determinant for a firm's performance.

Osiegbu, Ifurueze & Ifurueze (2014) examined the relationship between dividend payment and corporate performance in the Nigerian banking industry for the period 1990 to 2010. Five hypotheses were formulated for the study and tested using panel data and regression. Some models were formulated to consider the impact of free cash flow, current profitability, financial leverage, business risk and tax paid on dividend payment ratio. The findings of the study reveals that there is no significant relationship between dividend payout of banks in Nigeria and the explanatory variables i.e. firms pay dividend in Nigeria with the intention of reducing agency conflict and maintaining firm's reputation.

From the foregoing discussion, some of the studies have exploited one or two variables used for this study, while those that were conducted in the banking industry have conflicting results (Odia & Ogiedu (2013) and Nnadi & Akpomi (2008), others used purely content analysis (Almakawi, Rafferty & Pillal (2010). Thus, it is important to determine the relationship between corporate taxation, dividend policy, corporate governance and performance of firms. It has been stated by Jiraporn, Kim & Kim (2008) that Corporate governance exists to provide checks and balances between shareholders and management and thus to mitigate agency problems. Hence, firms with better governance quality should incur less agency conflicts. In such firms, managers should be less likely to adopt a sub-optimal dividend policy. As a result, the quality of corporate governance should have an impact on dividend policy. Hence this study added board structure as a corporate governance variable.

Methodology

The study deploys a non-survey research design where the materials used are the published annual reports and accounts of the companies under consideration. A total of six companies were selected for the study for the period 2009 to 2013. This is basically based on the availability of data. The companies are: 7Up Bottling Company Nigeria Plc, Flour Mills of Nigeria Plc, National Salt Company of Nigeria Plc, Nestle Nigeria Plc, Vitafoam Nigeria Plc and PZ Cussons Nigeria Plc. Panel data methodology using Pooled OLS, fixed effect and random effect regression methods were used in analyzing the data using STATA 12.0. This is because the panel data methodology helps in exploring both time series data and cross-sectional data simutaneously. The model based on the variables of the study, which is a modification of Muhammad (2011) was stated thus;

$Div_{it} = \alpha_0 + \alpha_1 ETR_{it} + \alpha_2 STR_{it} + \alpha_3 EPS_{it} + e_{it}$

Where:

1. Div = is the dependent variable representing the dividend of the companies. This is measured using dividend per share.
2. α_0= constant of the dependent variable i.e. the individual effect taken to be constant and specific.
3. ETR =the independent variable representing corporate taxation (the effective tax rate) measured by dividing the tax paid in year 2 by profit before tax in year 1.
4. STR= the control variable representing board structure, measured by dividing the number of non executive directors by the total number of directors.
5. EPS = the control variable representing performance measured with Earnings Per Share (EPS)

6. α_0- α_3 = Parameters to be estimated (is the average amount the dependent variable increases when the independent increases by one unit).
7. e = an error term assumed to satisfy the standard regression assumption
8. i*t = time script of common variables across the cross section

Results and Discussion

The descriptive results of all the variables are presented in table 1. The table shows that the average of the dependent variable over the study period is ₦3.24K with a standard deviation of 5.49958 and a minimum and a maximum of ₦0.25K ₦24.00 respectively.

Table 1: Descriptive Statistics of the Data

Variable	Mean	Std. Dev.	Min	Max	Observations
DPS	3.235	5.49958	0.25	24	30
ETR	0.3313333	0.2403981	0.04	1.17	30
STR	0.4783333	0.1648005	0.31	0.78	30
EPS	5.374	7.937135	0.15	27.68	30

Source: Computed by the Researcher Using Stata 12.0

The result also shows that the firms have an average effective tax rate of 33% with the minimum and maximum rates of 4% and 117% respectively. Table 1 further disclosed that on the average 48% of the board members are independent directors. EPS has a mean of approximately ₦5.37K which is an indication that the firms are performing well.

Table 2: Correlation Matrix of the Variables

	DPS	ETR	STR	EPS
DPS	1.0000			
ETR	-0.1725	1.0000		
STR	-0.3521	-0.0913	1.0000	
EPS	0.9465	-0.1472	-0.3660	1.0000

Source: Computed by the Researcher Using Stata 12.0

Table 2 shows the correlation between the dependent and the explanatory variables. It shows a negative relationship between DPS and ETR to the tune of -0.1725. The results also show that there is a negative relationship between DPS and STR (-0.3521). A positive relationship on the other hand exists between DPS and EPS to the tune of 0.9465.

Tables 3, shows the regression results of the dependent variable (Dividend policy measured with DPS) and the explanatory variables which combines the independent variable (Corporate taxation using effective tax rate) and the control variables (Board structure (STR) and performance using EPS). The pooled OLS, fixed effect regression and random effect regression methods were employed.

Table 3: Regression Results

OLS					RANDOM				FIXED			
VARIABLES	**Coefficient**	**Std Error**	T	**p>/t/**	**Coefficient**	**Std Error**	Z	**P> /z/**	**Coefficient**	**Std Error**	t	**p>/t/**
Constant	0.2182693	1.431011	0.15	0.880	0.2191744	1.438383	.15	0.879	0.22275372	3.141025	0.07	0.943
ETR	-0.8181085	1.473659	-0.56	0.584	-0.8182933	1.472621	-0.56	0.57	-0.6969675	1.586804	-0.44	0.665
STR	-0.4177944	2.284764	-0.18	0.856	-0.417659	3.850804	-0.18	0.856	0.6986211	6.176462	0.11	0.911

EPS	0.6489844	0.0477614	13.59	0.0000	0.6488153	0.0481247	13.58	0.0000	0.5403429	0.1659137	3.26	0.004
R Squared F Value Prob F R Squared: Within Between Overall rho F-value u_i= o P Value	0.8971 75.54 0.0000				 0.3351 0.9896 0.8971 0.0041				 3.54 0.0322 0.3360 0.9883 0.8958 0.2728 0.51 0.7643			

Source: Computed by the Researcher Using Stata 12.0

Table 3 shows the pooled regression result which indicates that a change in ETR, STR and EPS will lead to -0.8181085, -0.4177944 and 0.6489844 changes in DPS respectively. The result indicates an insignificant impact of ETR and STR on DPS. However, there is a significant of EPS on DPS with a p-value of 0.000. The R^2 shows that 0.8971 (90%) of the systematic variation in DPS was explained by the explanatory variables ETR, STR and EPS. This shows that only 10% of the variation in DPS is explained by other factors not captured in this model. Table 3 also shows that all the parameters are statistically significant with the probability of F test as 0.0000.

Table 3 further shows the fixed effect regression result of the model. The result shows a negetive impact of ETR on DPS even though the impact is not statistically significant. This means that any increase in ETR will lead to a decrease in DPS to the tune of -0.6969675. Table 3 also shows that there is positive impact of both STR and EPS on DPS with that of STR not statistically significant while that of EPS is statistically significant. The Table also shows the probability of F test as 0.0322 which indicates that all the parameters are statistically significant. In addition, Table 3 shows the random effect regression result which indicates that an increase in ETR will lead to a decrease in DPS to the tune of -0.8182933, that is, there is a negative impact of both ETR and EPS on DPS. However, EPS has a positive and significant impact on DPS. This indicates that any increase in EPS will lead to an increase in DPS to the tune of 0.6488153. The table shows the probability of F test as 0.0000 which indicates that all the parameters are statistically significant.

Table 4 : Hausman Test Result

	Coefficients			
	(b)	(B)	(b-B)	sqrt(diag(V_b-V_B))
	Fixed	Random	Difference	S.E.
ETR	-0.6969675	-0.8182933	0.1213259	0.591046
STR	0.6986211	-0.417659	1.11628	5.731692
EPS	0.5403429	0.6488153	-0.1084724	0.1587809

b = consistent under Ho and Ha; obtained from xtreg

B = inconsistent under Ha, efficient under Ho; obtained from xtreg

Test: Ho: difference in coefficients not systematic

$Chi^2(3)$ = (b-B)'[(V_b-V_B)^(-1)](b-B)

= 0.50

$Prob>Chi^2$ = 0.9189

In order to know which of the two effects (fixed or random) to be selected, the hausman test was carried out. Table 4 shows the hausman test to be 0.50 and the P value is 0.9189. It can be observed that the probability of chi square of 0.9189 is higher than alpha 5% which shows that there is no significant relationship between the variables. Thus the random effect model is considered as the better model for the study. The random effect regression equation is thus:

$DPS_{it} = 0.2191744 - 0.8182933\ ETR_{it} - 0.417659STR + 0.6488153EPS + e_{it}$

The random effect regression result shows that an increase in ETR will reduce DPS, that is, any increase in ETR will reduce the DPS to the tune of 0.8182933. The result gives strong evidence that there is an inverse relationship between dividend policy and corporate taxation. This is consistent with the findings of Odia & Ogiedu's (2013) who documented that taxes have negative and non significant impact on dividend policy of banks in Nigeria. In relation to board structure, Table 3 shows that a negative relationship exists between dividend policy and board structure. Furthermore, an increase in EPS will lead to an increase in DPS; this indicates that there is a positive and significant relationship between dividend policy and performance. The finding is consistent with that of Odia & Ogiedu's (2013) who concluded that profitability is a major determinant of the dividend policy as their relationship is positive and significant but contradicts the findings of Osiegbu, Ifurueze & Ifurueze (2014) who found out that there is no significant relationship between dividend payout of banks in Nigeria and the explanatory variables i.e. firms pay dividend in Nigeria with the intention of reducing agency conflict and maintaining firm's reputation.

Conclusion and Recommendations

The results revealed that corporate taxation and dividend policy are negatively related. It also confirms that there is a negative relationship between dividend policy and board structure. A positive relationship however exists between dividend policy and performance which is an indication that performance (of the companies) plays a vital role in deciding the dividend policy of firms. Hence it can be said that firms with a good and high performance can have a good dividend policy. However, the board structure plays no significant role in deciding the dividend policy as the results from the analysis shows that board structure is negatively related to dividend policy. The results imply that there is an agency problem because of the negative relationship between board structure and dividend policy. Also the negative relationship between ETR and DPS implies that companies do not have any problems with their dividend policy because of payment of taxes.

It is therefore recommended that companies should concentrate on other determinants of dividend policy like liquidity and not taxes, since taxes have no effect on dividend policy. Companies should also devise other means of generating revenue by expansion and diversification. This will help to boost the earnings which will in turn have a positive impact on dividend policy.

References

Abrutyn, S. & Turner, R. W. (1990). Taxes and Firms Dividend Policies: Survey Results. *National Tax Journal*, Vol. 43, No. 4, pp 491-96.

Adesola, W. A. & Okwong, A. E. (2009). The Empirical Study of Dividend Policy of Quoted Companies in Nigeria. *Global Journal of Social Sciences,* Vol. 8, No. 1, pp 85-101.

Almalkawi, H. N., Rafferty, M. & Pillal, R. (2010). Dividend Policy: A Review of Theories and Empirical Evidence. *International Bulletin of Business Administration*, No. 9.

Amram, D., Bauer, A. M. & Frank, M. M. (2012). *The Effect of Shareholder Dividend Tax Policy on Corporate Tax Avoidance*, Unpublished, University of Virginia, Darden School Foundation.

Anyigbo, C. I. (2008). *Advanced Financial Accounting*. Enugu, Hugotez Publications. Pp 90–93.

Black, F. & Scholes, M. (1974). The Effects of Dividend Yield and Dividend Policy on Common Stock Prices and Returns. *Journal of Financial Economics*, pp 1-22.

Dharmapala, D. (2008). The Impact of Taxes on Dividends and Corporate Financial Policy. *AEI Conference on Tax Policy Lessons from the 2000's Washinton DC*. www.google.com. Retrieved 23rd January, 2014.

Ekeocha, P. C., Ekeocha, C. S., Malaolu, V. & Oduh, M. O. (2012). Revenue Implications of Nigeria's Tax System. *Journal of Economics and Sustainable Development,* Vol. 3, No. 8, pp 206-215.

Fama, E. & Babiak, H. (1968). Dividend Policy: An Empirical Analysis. *Journal of American Statistical Association*, pp 1132-1161.

Graham, B. & Dodd, D. L. (1934). *Security Analysis: Principles and Techniques*, New York: McGraw-Hill.

Henry, S. & Peter, T. (2006). *Corporate Dividend Policy*: *The Theory and Practice of Corporate Dividend and Share Repurchase Policy*. Global Markets, Liability Strategies Group, Deutsche Bank. www.google.com. Retrieved on 23rd January, 2014.

Jensen, M. & Meckling, W. H. (1976). Theory of the Firm: Managerial Behaviour, Agency Costs and Ownership Structure. *Journal of Financial Economics*, Vol. 3, pp 305-360.

Jiraporn, P., Kim, J. & Kim, Y. S. (2008). Dividend Policy and Corporate Governance Quality: An Empirical Investigation. *JEL Classification:* G30, G32, G34. www.google.com. Retrieved on 23rd January, 2014.

Lederman, L. (2002). *Understanding corporate Taxation*. New York, Mathew Bender and Company inc.

Lintner, J. (1956). Distribution of Incomes of Corporation among Dividends, Retained Earnings and Taxes. *American Economic Review*, No. 46, pp 97-113.

Miller, M. & Modigliani, F. (1961). Dividend Policy, Growth and the Valuation of Shares. *Journal of Business*, No. 4, pp. 411-433.

Muhammad, L. M. (2011). Corporate Board Structure and Financing Decisions of Firms: A Panel Data Analysis. *The Nigerian Horizon*, Vol. 4, No. 2, pp 19-39.

Muhammad, L. M. (n. d). Corporate Taxation and Investment: An Analysis of Listed Food and Beverages Companies in Nigeria. *Department of Accounting Bayero University, Kano,* Unpublished.

Musa, F. I. (2005). Modelling the Dividend Behavioural Pattern of Corporate Firms in Nigeria. Unpublished *Doctoral Dissertation, Ahmadu Bello University, Zaria,* pp 85 - 152.

Musa, F. I. (2009). The Dividend Policy of Firms Quoted on the Nigerian Stock Exchange: An Empirical Analysis. *African Journal of Business Management*, Vol. 3, No. 10, pp 555- 566.

Nnadi, M. A. & Akpomi, M. (2008). The Effect of Taxes on Dividend Policy of Banks in Nigeria. *International Journal of Finance and Economics*, No. 19, pp 1450-2887.

Odia, J. O. & Ogeidu, K. O. (2013). The Effect of Corporate Taxes on Dividend Policy of Banks in Nigeria. *Research Journal of Finance and Accounting,* Vol. 4, No. 5, pp 138-145.

Oseigbue, I. F.,Ifurueze, M. & Ifurueze, P. (2014). An Analysis of the Relationship between Dividend Payment and Corporate Performance of Nigerian Banks. *Global Business and Economics Research Journal*, Vol. 3, No. 2, pp 75-95.

Oyinlola, O. M., Oyinlola, F. O. & Adeniran, J. O. (2013). The Influence of Dividend Payout in the Performance of Nigerian Listed Brewery Companies. *International Journal of Economics and Management Sciences*, Vol. 3, No. 1, pp 13-21.

Pandey, I. M. (1999*). Financial Management* (8th ed.), New Delhi: Vikas Publishing House PVT Ltd.

Salih, A. A. (2010). The Effect of Dividend Policy on Market Value: UK Empirical Study, *Durham Theses*, Durham University. http://etheses.dur.ac.uk/556. Retrieved on 30th April, 2014.

Trang, N. T. X. (2012). Determinants of Dividend Policy: The Case of Vietnam. *International Journal of Business, Economics and Law*. Vol. 1, pp 48-57.

Uzoaga, W. O. & Alozieuwa J. U. (1974). Dividend Policy in an Era of Indigenisation. *Nigerian Journal of Economic and Social Studies*, Vol. 16, No.11, pp. 461.

Wu, C. (1996). Taxes and Dividend Policy. *International Journal of Economics and Finance,* Vol. 5, pp 110-122.